

**{As Prepared for Delivery}**

**Eastern Ohio Development Alliance  
16<sup>th</sup> Annual Meeting  
April 21, 2006**

**Thomas C. Dorr  
Under Secretary for Rural Development  
Remarks**

**Thank you for that very kind introduction. It's a pleasure to be here.**

**As a lifelong farmer from Marcus, Iowa, I'm always glad to get out of Washington, D.C. and be reminded that there are still places in America where the roads aren't gridlocked by 7 a.m. and you don't need a six figure income to afford the median house.**

**It's a particular honor and a privilege for me to serve as a member of President Bush's team ... but I do want to tell you that there is nothing like spending a few years in Washington to make me appreciate even more the quality of life that we sometimes take for granted in rural America.**

**So when Randy Hunt – Randy, as most of you know, is the USDA Rural Development State Director for Ohio – asked me if I could come today, I**

checked my schedule, pondered it for all of about five seconds, and said  
“Sure.”

*It is* great to be here. That said, there are occasions – and this is one of  
them – when I know I’m preaching to the choir.

We are all here today because we live and work in small town and rural  
America. We are also here, most of us, because we treasure the values  
and traditions of the rural way of life.

But first and foremost -- this, after all, is an economic development  
luncheon -- we’re here because there are tremendous opportunities in  
rural America. That’s what I’d like to discuss today.

Those opportunities, naturally, vary from place to place. Every  
community is unique. Rural America, as we all know, includes some  
regions that have been in long term decline. Some in fact have been  
losing population for decades.

**On the other hand, rural America also includes many of the fastest growing counties in the country. And, then, everything in between.**

**But if you step back and look at rural America as a whole ... from southeastern Ohio and the cornfields of Iowa to the potato fields of Idaho to the Norman Rockwell towns of New England to native villages in Alaska ...**

**... There are a couple of things that stand out. One of them is change. Another is opportunity.**

**Bottom line: the world is changing, and it's changing in ways that hold great promise for rural America -- provided that we are prepared to accept the change, to act on opportunities, to be entrepreneurial.**

**The reasons aren't hard to identify. There is, in fact, a convergence of factors. Technology, for example, is eroding the old barriers of time and distance. More than ever before in history, thanks to broadband and modern transportation, businesses are free to locate just about anywhere. Increasingly, so too are people.**

**That flexibility has enormous positive implications for rural communities. Traditional rural comparative advantages in quality of life and cost of living come to the forefront when people are free to choose. I've never seen a big city real estate ad boasting about higher taxes, brutal commutes, a tiny yard, noise, crime and congestion. The simple fact is, any time rural communities and small towns are able to compete with regard to jobs and economic opportunity, they are likely to do well.**

**That's why the internet is transformative. It may be a cliché to say it, but like most clichés, it's true: the internet is producing the most radical decentralization of information since the invention of the printing press. In a knowledge based economy, the decentralization of information allows the decentralization of everything else. It allows for the constructive development of each and every individual and their talents in ways never before imagined.**

**Our business structures and residential patterns are just beginning to adapt. But adapt they will.**

**This is actually a very old story. The urban-rural balance has shifted many times. The great cities of the 19<sup>th</sup> and 20<sup>th</sup> centuries aren't immutable. They were the result of the logistical requirements of the railroad age -- coupled with the administrative necessity in large organizations to be able to physically move paper from desk to desk.**

**Today, however, those arrangements are clearly anachronistic. Connectivity changes everything. The ability to build and manage dispersed networks changes everything.**

**Granted, these changes won't happen overnight. There is an enormous sunk cost in existing infrastructure. It takes time for that to be reengineered. But just as the automobile ushered in a great wave of decentralization in the last century, so too will the computer and broadband in the next.**

**In fact, this is already happening, and it's happening faster than many people think. By its nature, it involves highly dispersed arrangements that pop up under the media's radar screen. These aren't changes that hit you**

**like a sledgehammer; they're changes that sneak up on you, one small business or one family at a time.**

**Multiply each individual case by tens or hundreds of thousands more, each and every year – and in a generation the economic structure and social architecture of this country will be very different.**

**At the same time, whole new industries are arising in rural America.**

**Energy is a timely example. Reducing our dependence on imported oil is a critical economic and national security issue.**

**That's why a comprehensive energy strategy was one of President Bush's very first initiatives when he took office in 2001. It took 5 years to work the Energy Bill past some of the professional obstructionists in Congress, but we now have some important new tools in place. It's paying off, and the implications for rural America are exciting:**

**U.S. ethanol production last year exceeded 4 billion gallons and it's growing fast. The Energy Bill set a target of 7.5 billion gallons a year, and we're going to reach that well ahead of time.**

- Biodiesel production is up from 5 million gallons in 2001 to 25 million gallons in 2004 to 75 million gallons last year.

You heard that correctly – it tripled in a single year. The growth curve is incredible.

- U.S. wind power capacity by the end of last year reached 6,740 Megawatts with another 5,000 MW on the way. The U.S. Department of Energy estimates that wind can generate at least 6% of U.S. electricity by 2020.
- At USDA Rural Development, we invest in all of these emerging technologies, and others as well. Since 2001, we've invested over \$350 million in renewable energy. We're making over \$1 BILLION available for energy on a competitive basis in 2006. This is a top priority.

Energy from agriculture, in fact, offers the rural economy its biggest new market in history. What is even more exciting is that these are inherently distributed resources, with great potential for local

**investment, ownership, and wealth creation in rural communities. So looking at the broad picture, I am -- frankly -- an incurable optimist about rural America.**

**Now -- to be sure -- rural America has seen broad cycles of growth and decline before. There's nothing new in that.**

**We've also seen the rise and decline of regional industries, and sometimes that's painful. That will continue. I'm not suggesting that everything will be easy or automatic -- or for that matter romantic.**

**But on balance, rural America today enjoys probably the greatest opportunities in history. The challenge for us -- as individuals, as business and community leaders, as government -- is to identify those opportunities ... and then step up to the plate and take a swing.**

**That is a challenge for you, as business and community leader, and obviously for USDA Rural Development as well.**



**At the risk of recalling that old joke, “I’m from the government and I’m here to help you” -- we ARE here to help.**

**Let me put down some markers.**

**USDA Rural Development is an investment bank for rural America.**

**This year we will invest over \$17 billion in rural business, housing, infrastructure, and community facilities.**

**Since 2001, we’ve invested over \$63 billion and created or saved over 1.1 million jobs. In Ohio alone, the total is over \$2.2 billion. Randy and his staff have largely made loans.**

**The opportunities are as varied as rural America itself. One day we might fund an ethanol plant in Iowa, Minnesota – or here in Ohio.**

**The next day it might be an industrial park ... a rural hospital ... a broadband installation ... a self-help housing project ... or a wind turbine.**

**In fact, USDA Rural Development is probably the only agency in government that can build an entire community from the ground up.**

**But that said, let me close with a caveat -- and an invitation.**

**I am tremendously proud of our people and the job they do. Most of the heavy lifting, by the way, is done in our State and local offices. We are one of the most decentralized agencies in government.**

**We think we make better decisions by empowering our people on the ground than by trying to make all the decisions from inside the bubble in Washington, D.C. That's why it's so important for you to get to know Randy and his staff.**

**But at the end of the day, we can't do it all. The magic ingredient in sustainable community and economic development is YOU -- community leaders, business leaders, entrepreneurs, risk takers, and investors.**

**We can provide investment capital. We can provide technical support.**

**We can help rural communities level the playing field.**

**But without strong local partners to provide the vision and entrepreneurial drive, very little that we do will make a difference.**

**So I want to leave you with a challenge. We're here to help, but YOU have to take the initiative. Don't leave here without Randy's business card. I hope he brought enough.**

**Yes, rural communities face challenges. But our opportunities are even greater than our challenges, if we have the vision and the will to pursue them.**

**I am confident that we will, and – speaking for Randy and his team at Ohio Rural Development, as well as a great supporting cast back in Washington -- we look forward to working with you to get the job done.**

**Thank you.**